



Shipping Products and ServicesJanuary 2016 Price Change Initiatives

February 2, 2016

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Mail Class	Percent Change (Average)
First-Class Package Service Commercial Base	
- Overall	12.8%
Priority Mail Express	
- Overall	15.6%
- Retail	14.4%
- Commercial Base	17.7%
- Commercial Plus	48.2%
Priority Mail	
- Overall	9.8%
- Retail	8.6%
- Commercial Base	9.4%
- Commercial Plus	13.3%
Parcel Select	
- Overall	3.1%
- DNDC	5.1%
- DSCF	4.9%
- DDU	4.5%
- Ground	1.9%



Mail Class	Percent Change (Average)
Parcel Select Lightweight - Overall	23.5%
Parcel Return Service - Overall - RDU - RSCF	5.0% 5.0% 5.0%
Adult Signature Services - Required - Restricted Delivery	up 3.6% to \$5.70 up 3.5% to \$5.95
Premium Forwarding Service - Overall	up 3.6% with PFSC to \$17.10
Package Intercept	up 3.3% to \$12.55





Price Change	Initiatives
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Click-N-Ship Pays Retail Rates

Consolidating Parcel Select Lightweight Irregular and Machinable

Critical Mail (elimination)

Extra Service Code (Pharmaceutical and Medical Supplies)

First-Class Package Service CBP/CPP (elimination)

Ground Product Name Change

Increase Fee for Priority Mail RRB A and B

Parcel Return Service RNDC (elimination)

Parcel Select NDC Presort and ONDC Presort (elimination)

Priority Mail Express Flat Rate Boxes (elimination)

Priority Mail Regional Rate Box C (elimination)

Non-Price Change Initiatives

Certificate of Mailing

Collect on Delivery

Return Receipt



- The Postal Service is restructuring Click-N-Ship to offer only retail prices
- Click-N-Ship will no longer be an authorized payment method for Priority Mail Express and Priority Mail Commercial Base pricing



Change: Introduce new Pharmaceutical and Medical Visibility for Negotiated Service Agreements (NSAs) only.

Mail Class Extra Service Code (ESC):

ESC	Description
401	Pharmaceutical
402	Medical Supplies

Product availability:

Domestic	International
Priority Mail Express	Priority Mail Express International
Priority Mail	Priority Mail International
First-Class Package Service	First-Class Package International Service
Parcel Select	
Parcel Select Lightweight	

- New events and alerts
- Longer retention period (5 years)
- Not visible on the package



First-Class Package Service (FCPS) CPP and CBP



Change	Details
Eliminate First-Class Package Service (FCPS) Commercial Plus Pricing (CPP)	 CPP for First-Class Package Service will be eliminated in its entirety Any FCPS CPP presented after change will be charged the single-piece Commercial Base price based on the weight of the mailpiece Mailers are highly encouraged to switch all Shipping Services File entries to the single-piece (SP) rate indicator for First Class



Eliminate Commercial	Removed Line C, "Single Pc/From Std Mail Mailing" from PS Form 3600-FCM
Base & NSA presort tiers:	• FCPS CB prices will provide for only single-piece
1. 5-Digit	prices by weight (in ounces)
2 3-Digit	Irregular Parcels surcharge remains

- Irregular Parcels surcharge remains
 No change to IMpb Noncompliant fee (\$.20 per pc)
- FCPS CB pieces will still not be sealed against inspection (FCM content must be sent as PM or Retail FCM)



Create new Commercial Base price tiers for FCPS weight breaks 14 oz. - 15.999 oz.

3. ADC

4. Mixed ADC

- Create additional weight tiers
- Ounces available from 1 to 15.999
- · Will only support single piece pricing
- No additional minimums will apply and agreement will not be required
- Pricing available for Commercial mailers



Example Notice 123 – Price List

First-Class Package Service

COMMERCIAL - PARCELS

Weight Not Over (ounces) ^{1,2}	Single Piece
1	\$2.60
2	2.60
3	2.60
4	2.60
5	2.60
6	2.60
7	2.60
8	2.60
9	3.30
10	3.35
11	3.40
12	3.45
13	3.50
14	3.55
15	3.60
15.999	3.65

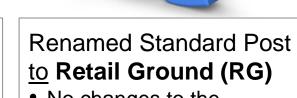
^{1.} Parcels are subject to a \$0.20 surcharge if they are irregularly shaped, such as rolls, tubes, and triangles.

^{2.} IMpb Noncompliant Fee \$0.20 per piece.



Change: Product name changes will better identify USPS Ground Shipping Products to customers:





Select Ground (PSG)"GND" is an acceptable abbreviation for "Ground" in labeling

Renamed Parcel Select

Nonpresort to **Parcel**

 Added Balloon to Postage Statement (PS Form 3605) for Parcel Select Destination Entry



- No changes to the product features or mailing standards are being made as a result of this change
- Added Limited Overland Routes (LOR) to Notice
 123 – Price List



Renamed Retail ROYO
Ground to Retail
Ground Return Service



Ground Products Name Changes





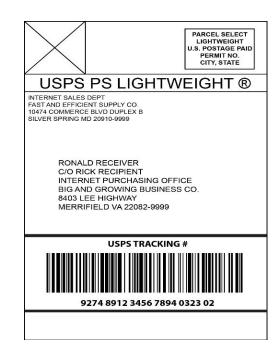
- Product features and mailing standards will remain the same
- eVS, NMATS, and manifest codes will remain the same
- Registered trademark in process Use TM



Consolidating Parcel Select Lightweight Irregular and Machinable

Change: Consolidating Parcel Select Lightweight (PSLW) and Irregular and Machinable Price Tables.

- The new price table title is "Parcel Select Lightweight-Commercial Parcels"
- One price table based on current irregular table
 - start at 1 ounce and end at 15.999 ounces.
 - -sortation levels:
 - 1. 5-digit (DDU, DSCF, DNDC)
 - 2. SCF (DSCF and DNDC)
 - 3. NDC (DNDC and None)
 - 4. Mixed (NDC/Single Piece (None)
- Mail preparation and other requirements will remain the same:
 - Separation of pieces
 - Individual postage statements
 - Processing Category in Shipping Services File





Parcel Select — Commercial

Parcel Select Lightweight

COMMERCIAL PARCELS¹

Weight Not Over		5-Digit		SC	CF ²	NI	OC	Mixed NDC
(ounces)	DDU	DSCF	DNDC	DSCF	DNDC	DNDC	None	None
1	\$1.30	\$1.57	\$1.62	\$1.70	\$2.01	\$2.52	\$2.82	\$3.20
2	1.30	1.57	1.62	1.70	2.01	2.52	2.82	3.20
3	1.30	1.57	1.62	1.70	2.01	2.52	2.82	3.20
4 ³	1.30	1.57	1.62	1.70	2.01	2.52	2.82	3.20
5	1.30	1.57	1.62	1.70	2.01	2.52	2.82	3.20
6	1.30	1.57	1.62	1.70	2.01	2.52	2.82	3.20
7	1.30	1.57	1.62	1.70	2.01	2.52	2.82	3.20
8	1.30	1.57	1.62	1.70	2.01	2.52	2.82	3.20
9	1.51	1.86	1.90	2.00	2.31	2.70	3.01	3.42
10	1.51	1.86	1.90	2.00	2.31	2.70	3.01	3.42
11	1.51	1.86	1.90	2.00	2.31	2.70	3.01	3.42
12	1.51	1.86	1.90	2.00	2.31	2.70	3.01	3.42
13	1.72	2.15	2.18	2.29	2.60	2.88	3.20	3.64
14	1.72	2.15	2.18	2.29	2.60	2.88	3.20	3.64
15	1.72	2.15	2.18	2.29	2.60	2.88	3.20	3.64
15.999	1.72	2.15	2.18	2.29	2.60	2.88	3.20	3.64

^{1.} IMpb Noncompliant Fee \$0.20 per piece.

^{2.} Machinable parcels are not eligible for SCF DSCF or SCF DNDC preparation, entry or pricing.

^{3.} Machinable parcels must weigh at least 3.5 ounces. See DMM 201.7.5 for other eligibility criteria.



Change: Increase Fees for Priority Mail Regional Rate Boxes A (Zones 1-4) and B (Zones 5-9).

- Implement a two-tier zone fee for Regional Rate Boxes A and B paid at retail
- Zones 1-4 will have a \$2.25 fee and Zones 5-9 will have a \$1.00 fee:

Product Accepted at Retail	Current Fee	2016 Fee Zones 1- 4	2016 Fee Zones 5-9
Priority Mail RRB A	75 cents	\$2.25	\$1.00
Priority Mail RRB B	75 cents	\$2.25	\$1.00

- The fee is in addition to the postage
- Maximum weight is still applicable for RRB A 15 lbs. and RRB B 20 lbs.









Elimination Parcel Return Service Return Network Distribution Center (RNDC)

Rationale:

- Parcel Return Service (PRS) prices are based on weight, whether items are machinable or nonmachinable, and had the choice of three pickup locations:
 - Returns Destination Unit (RDU)
 - Returns Sectional Center Facility (RSCF)
 - Returns Network Distribution Center (RNDC)
- RNDC was eliminated to simplify the offering and due to decline in volume.
- Effective January 17, 2016 customers will be charged <u>Parcel Select Ground</u> prices if they continue to enter shipments as **PRS - RNDC**.



Parcel Return Service - Machinable

Weight Not Over (pounds) ^{1,2,3}	RDU	RSCF	RNDC Zones 1-5
1	\$2.44	\$3.03	\$3.76
2	2.49	3.42	4.15
3	2.53	3.69	4.55
4	2.57	3.97	4.86
5	2.62	4.23	5.26
6	2.66	4.57	5.68
7	2.70	4.88	6.10
8	2.75	5.19	6.53
9	2.79	5.54	6.97
10	2.84	5.86	7.41
11	2.88	6.18	7.77
12	2.92	6.51	8.14
13	2.97	6.77	8.44
14	3.01	7.02	8.71
15	3.06	7.20	8.91
16	3.10	7.40	9.09
17	3.14	7.56	9.23
10	2 10	7 70	0.44

Categories for **PRS RNDC** that are affected by this change are:

- Machinable Zones 1-5 / Weights 1-35 / Balloon.
- Nonmachinable Zones 1-5 / Weights 1-70 Balloon / Oversized.
- Remove rate ingredient.

Parcel Return Service - Machinable

Weight Not Over (pounds)	RDU	RSCF
1	\$2.54	\$3.14
2	2.60	3.55
3	2.65	3.85
4	2.71	4.16
5	2.76	4.44

PRS are still be available at RDU and RSCF locations.



PME Flat Rate Boxes (side load and top load, domestic and Dual-Use for international) will be eliminated as a shipping option due to limited usage/demand

<u>Dual-Use Priority</u> <u>Mail/Priority Mail Express</u> Flat Rate Box – 1

Dimensions: 11"x 8-1/2" x 5 ½" SKU: DEMPMFRB1X



Priority Mail Express

Flat Rate Box - 1 Dimensions: 11"x 8-1/2" x 5 ½"

SKU: EMFRB1X



<u>Dual-Use Priority</u> <u>Mail/Priority Mail Express</u> Flat Rate Box – 2

Dimensions: 11"x 7/8" x 3-3/8 " x 13-5/8"

SKU: DEMPMFRB2X



Priority Mail Express Flat Rate Box -2

Dimensions: 11"x 7/8" x 3-3/8 " x 13-5/8

SKU: EMFRB2X



Boxes removed from:

Postal Store / CNS	Ordering Form	Package Intercept
Premium Forward Service - Commercial	Priority Mail Express Manual Entry Screens	Postage Statement
Retail Systems	Self Service Kiosk	Retail Locations

• Effective January 17, 2016 customers will be charged <u>Priority Mail Express</u> prices based on weight and zone if they continue to use the PME Flat Rate Boxes.

Eliminate PS ONDC Presort and NDC Presort

Rationale:

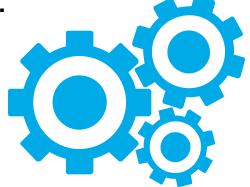
Eliminate the Origin Network Distribution Center (ONDC) and Network Distribution Center (NDC) Presort pricing for Parcel Select to streamline the Parcel Select products while maintaining three options for shippers:

- 1. Parcel Select Ground (formerly Nonpresort)
- 2. Parcel Select Destination Delivery Unit (DDU)
- 3. Destination Sectional Center Facility (DSCF)

Changes to systems and documents include:

- Remove Parcel Select ONDC Presort and NDC Presort from Notice 123.
- Remove from Postage Statement PS Form 3605 (E&F).
- Remove the current rate indicator for the services.

Effective January 17, 2016 customers will be charged Parcel Select Ground prices if they continue to present Parcel Select ONDC Presort or Parcel Select NDC presort shipments.





Eliminate Priority Mail Regional Rate Box C

Priority Mail Regional Rate Box C is being eliminated as a shipping option

- Low customer usage.
- Effective January 17, 2016, customers will be charged single-piece Priority Mail Commercial Base or Retail prices by weight and zone if they present a Priority Mail Regional Rate Box C.
- Will be removed from similar systems as PME Flat Rate Boxes.



	Zones				nes			
Boxes	L, 1 & 2	3	4	5	6	7	8	9
Α	6.01	6.15	6.60	8.15	8.92	9.70	10.77	14.95
В	6.71	7.90	8.75	10.66	13.37	15.14	17.09	24.41

Additional fee if paid at Retail

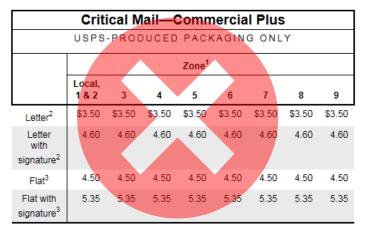
Zones 1-4 2.25 Zone 5-9 1.00 IMpb Noncompliant Fee 0.20



Rationale:

The costs of providing the customized packaging along with low usage indicates this product is not performing well enough to cover cost and to be a profitable offering.

- Elimination will Include:
 - 1. Letter
 - 2. Letter with Signature
 - 3. Flat
 - 4. Flat with Signature
- Will no longer support NSAs or 105 CPP Agreements.
- Eliminate service from Priority Mail Postage Statement: PS 3600-PM.
- Effective January 17, 2016 customers will be charged the applicable Priority Mail Flat Rate Envelope price if they continue to present Critical Mail envelopes.



IMpb Noncompliant Fee \$0.20 per piece.

2.

Maximum weight-letters 3 ounces.

Maximum weight—flats 13 ounces.

	Priority Mail—Permit Imprint—Negotiated Service Agreement (NSA)							
	Part D Priority Mail		Check box at left if prices are populated in				in this section	
Flat	Rate & Commercial Prices - NS	4	Price	No. of Pieces	Subtotal Postage	Discount Total	Fee Total	Total Postage
D1	Flat Rate Envelopes (EP 14 B,F	H,GT)						
D2	Padded Flat Rate Envelope							
D3	Legal Flat Rate Envelope							
D4	Small Flat Rate Box							
D5	Medium Flat Rate Box							
D6	Large Flat Rate Box	\						
D7	Large Flat Rate Box APO/FPO/I	DPO						
D8	Critical Mail - Letter *							
D9	Critical Mail - Letter with Signatu	ıre *						
D10	Critical Mail - Flat *							
D11	Critical Mail - Flat with Signature	e *						



#	Changes				
1	 Revise mailing standards to approve the COM facsimile forms at the Headquarters level. Proposed effective date: January 17, 2016 to align with the expected DMM publishing date for the Competitive Price Change. 				
2	 USPS will allow up to three business days to consider correcting missing round dated and stamped COM form pages. It will be at the sole discretion of the USPS to determine if the missed stamped page(s) were a USPS error and if it can/will be postmarked on the date of re-submission. 				
3	 Page numbering on PS Form 3665, Domestic Certificate of Mailing Firm ○ Pages must be number 1 of XX 				
4	 COM Tool Still working to determine if a tool will be developed to create standardized COM forms with a IMpb and ability to send manifest to PostalOne! 				



- Final MTAC 170 Workgroup meeting: December 2, 2015
- Postal Bulletin Publication Date: December 24, 2015, highlights:
 - 1. June 2, 2017, COM Form compliance date-no 3877 facsimiles.
 - 2. Central Approval of Facsimiles to HQ (COM _FACSIMILE@usps.gov)
 - 3. Clarification of Format for "Nearly Identical"
 - 4. Sequential Page Numbering (Page__ of __)

Next Steps:

- COM Tool -Automated Option to include interface with PostalOne! and Product Tracking Reporting
 - Funding Approval
- Forms/Communications highlights:
 - Jan 2016: Domestic PS Form 3665-COM-Firm and 3606-D COBM
 - Retail and BMEU/DMU SOP updates
 - VP Letter to Managers Business Mail Entry and Postmasters
 - Policy for correcting missing Postmarks-in SOPs-not in DMM

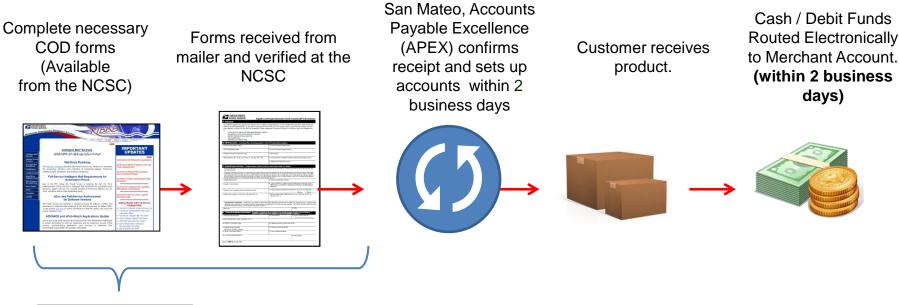


 Electronic Funds Transfer (EFT) available for Commercial and Online customers





Collect On Delivery Electronic Funds Transfer (EFT) Enrollment Process In this flow EFT replaces check or money order.





National Customer Support Center (NCSC) is available for assistance for assistance at 877-264-9693.

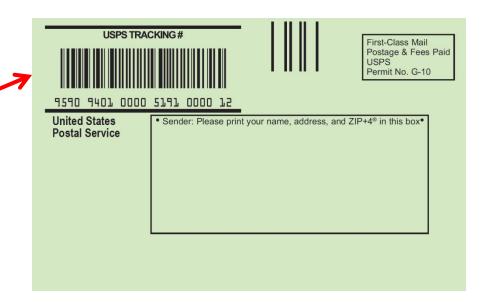




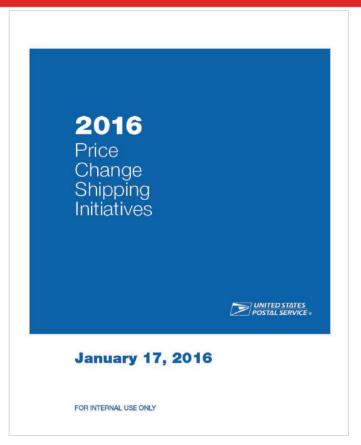
SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DE	LIVERY
 Complete items 1, 2, and 3. Print your name and address on the reverse so that we can return the card to you. Attach this card to the back of the mailpiece, or on the front if space permits. Article Addressed to: 	A. Signature X B. Received by (Printed Name) D. Is delivery address different from its	Agent Addressee C. Date of Delivery
	If YES, enter delivery address bek	JIII I . —
9590 9401 0000 5191 0000 12 2. Article Number (Transfer from service label)	□ Adult Signature □ Adult Signature Restricted Delivery □ Certified Mail® □ Certified Mail Restricted Delivery □ Collect on Delivery Pestricted Delivery □ Collect on Delivery Restricted Delivery	Priority Mail Express® Registered Mail™ Registered Mail Restricted Delivery Return Receipt for Merchandise Signature Confirmation™ Signature Confirmation Restricted Delivery
PS Form 3811, July 2015 PSN 7530-02-000-9053	Don	nestic Return Receipt

Front of Form

- 3811, Domestic Return Receipt and linkage to any Extra Service.
 (i.e. Certified Mail)
- Increase visibility by placing barcode on form
- Intelligent Mail barcode on the Sender's address side (front) and Acceptance side (back) of the Return Receipt.
- Barcodes must be scanned upon acceptance and delivery.









- Mailed December 30, 2015: Each USPS Retail Office (including CPUs, Approved Shippers and Staples) sent:
 - 1. Letter

3. Stand-up Talks

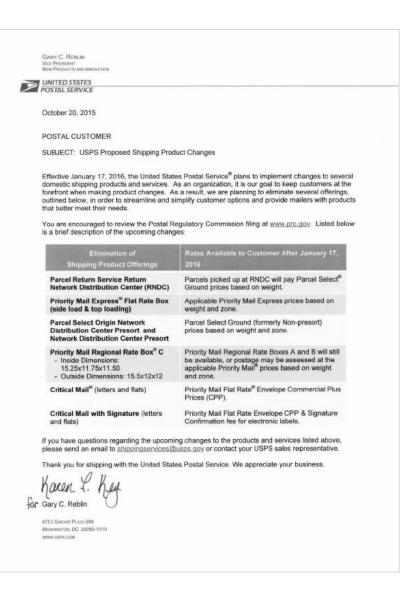
2. SOPs

4. Poster 220: Expedited Packaging Available at Retail

Posted at:

http://blue.usps.gov/marketing/newproducts-innovation/price-change-initiative-tools.htm





- 189,583 Letters distributed to customers on October 20 and 21, 2015:
 - Order expedited supplies
 - Permit
 - Commercial Base
 - Commercial Plus





POSTAL NEWS

FOR IMMEDIATE RELEASE Oct 16 2015 Contact: Katina Fields 202.268.6229 katina.w.fields@usps.gov usps.com/news



First Price Increase In Three Years for Commercial Priority Mail Scheduled for January 2016

- · No Increase in Forever Stamp Prices or Other Mailing Product Prices
- · No Increase in Shipping Prices Until After the Holiday Season

WASHINGTON — Today the United States Postal Service filed notice with the Postal Regulatory Commission (PRC) of proposed price changes for its Shipping Services products to take effect next year, following the conclusion of the holiday season. The filing does not include any price increase for First-Class Mail or any other Postal Service Mailing product such as the Forever stamp.

The Postal Service continues to provide excellent value and reliability for the shipping industry along with convenient choices for consumers. The average Shipping Services price change is 9.5 percent which results in an average shipping price of less than \$5.50 per shipment across all shipping products.

The new prices, if approved, represent the first price increase in more than three years for commercial Priority Mail. The average price increase for Priority Mail is 9.8 percent; when calculated over the three-year period since the last increase, the overall Priority Mail price change averages less than 3.3 percent per year.

The PRC will review the prices before they are scheduled to become effective on Jan. 17, 2016. The complete Postal Service price filing with the new prices for all Shipping Services products can be found on the PRC website under the Daily Listings section: http://www.prc.gov/dockets/daily.

The Postal Service continues to enable America's e-commerce growth and enhance its portfolio of mailing and shipping solutions to best meet the evolving needs of our business and residential customers.

The Postal Service receives no tax dollars for operating expenses and relies on the sale of postage, products and services to fund our operations. The price changes which the Postal Service has proposed today help to fund our infrastructure and support our ability to provide prompt, reliable and efficient universal service to the American public.

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Please Note: For broadcast quality video and audio, photo stills and other media resources, visit the <u>USPS Newsroom.</u>

Reporters interested in speaking with regional Postal Service public relations professionals should visit this <u>link</u>

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#	Resources	Where to Locate
1	DMM Advisory	Special email updates. Subscribe via e-mail: dmmadvisory@usps.com
2	Domestic Mail Manual	http://pe.usps.gov/text/dmm300/summary_of_changes.htm
3	Federal Register Notice	•http://pe.usps.gov/FederalRegisterNotices.asp •Draft – October 16, 2015 – Domestic Competitive Products Pricing and Mailing Standards Changes
4	January 2016 Price Change Information	 http://pe.usps.gov/ Shipping Services Prices – Excel – Proposed 10/16/15 Shipping Services Prices – CSV – Proposed 10/16/15 Draft January 2016 Postage Statements 10/16/15 Postage Statement List of Changes 10/16/15
5	Postal Explorer	http://pe.usps.gov/
6	Postal Rate Commission	•http://www.prc.gov/
7	Price List – Notice 123	•http://pe.usps.gov/text/dmm300/Notice123.htm
8	Rapid Information Bulletin Board System (RIBBS) – January Price Change Documents	•https://ribbs.usps.gov/ •January 2016 Release Overview •Changes for eVS January 2016 Release •Product Tracking & Reporting Release 6.0 January 2016 Price Change
9	Shipping Products and Services	•https://ribbs.usps.gov/index.cfm?page=shipproductsservices

